Chapter-4- Data analysis
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4.1 Introduction:
The business of DFPCL was going through a transformation due to the change in the
management style and the external environment influencing the business
performance. The Company was poised to achieve global standards of productivity
and efficiency. It was then that the management of DFPCL decided to invest in people
management, understand the employee satisfaction over various HR processes and
to align the employee goals with organizational goals. Hence they hired Eicher
consultancy services in 1997 to conduct a survey on the employee satisfaction for the
different HR processes and provide solutions to them. The culture survey conducted
by Eicher brought out the employee dis-satisfaction in various HR dimensions like
performance management, communication, career planning, compensation etc.

4.2 Data analysis
The data analysis is divided into two chapters namely chapter 4 and 5. Chapter 4
covers the data analysis of the data collected through external sources namely Eicher
consulting firm, Hewitt associates and the post ODI survey conducted by the HR team
of DFPCL. Chapter 5 covers the analysis of the data collected by the researcher
through HRD audit and implementation of the Balanced score card.

4.3 Introduction of the chapter:
This chapter covers the systematic analysis of data collected by external agencies and
the HR team of DFPCL. This analysis assess the step by step improvements in the
various HR subsystems (wherever comparable data is available in the relevant HR
subsystems) from the year 1997 to 2006. This also forms the basis of a few
recommendations given in the last chapter. The four surveys covered in this
comparison are:

- Culture survey by Eicher -1997
- Focus group report conducted by Hewitt - 2004
• Post OD interventions feedback-2005
• PMS Survey feedback-2006

It also emphasizes on the need for SHRM in DFPCL and why the management of DFPCL went through the SHRM intervention.

4.4 The culture survey (1997)
The culture survey was conducted at DFPCL by Eicher associates in 1997 to understand the company culture on various HR aspects like communication, recognition, career planning, performance review, compensation etc. The objective of the management of DFPCL to conduct this survey was to review these HR aspects and evaluate the current (as on 1997) situation of these aspects. The survey covered employees at managers and above levels. The questionnaire was administered, analyzed and collated by Eicher consulting firm:

The rating scale used in the questionnaire was Likert’s five point scale:
5 = Strongly agree, 4 = Agree, 3 = Undecided, 2 = Disagree, 1 = Strongly disagree
Figure 25: Overall satisfaction scores by Eicher climate survey

The detailed data analysis of the above aspects of the climate survey conducted by Eicher is provided in Annexure 3.

Table 6 below provides the snapshot of the culture survey scores on the various dimensions which were measured during the survey:

**Table 6: The culture survey scores:**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Satisfaction score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work style</td>
<td>48</td>
</tr>
<tr>
<td>Leadership</td>
<td>52</td>
</tr>
<tr>
<td>Teamwork</td>
<td>54</td>
</tr>
<tr>
<td>Communication</td>
<td>36</td>
</tr>
<tr>
<td>Job content</td>
<td>64</td>
</tr>
<tr>
<td>Strategy and customer focus</td>
<td>59</td>
</tr>
</tbody>
</table>
Findings and recommendations from the survey:

To take a snapshot of the culture survey, satisfaction scores of less than 50 on the scale of 100 were obtained on the following HR aspects namely: These were identified as areas of improvement since the satisfaction scores were low.

**Communication**: in this aspect dimensions of organizational communication like the openness and transparency of the communication channels, timely communication on the department plans etc. were measured (Satisfaction Score - 36).

**Recognition**: this aspect measured the recognition methods adopted by the organization with dimensions like timeliness, criteria of recognition, responsibility of work etc. (Satisfaction Score - 44)

**Performance Review**: this aspect measured the dimensions of the performance review process namely timelines, effectiveness, feedback and review mechanisms. The satisfaction score was low namely 32/100 which highlighted the need for a good performance review mechanism at DFPCL.

**Compensation** - measured dimensions of compensation structure like disparity in the terms and conditions with a satisfaction score of 17/100, linkage with performance,
clarity on the terms and conditions etc. The overall satisfaction score on this aspect was 37/100.

Career planning measured dimensions like future plans and communication of future plans of the employees. It also measured the opportunity for promotions. This aspect had the lowest score and was identified as an area of concern with a score of 28/100 followed by performance review with 32/100. Communication was a weak link at DFPCL as depicted by the low score of 36 on 100. Compensation and benefits needed to be looked at with a satisfaction score of 37/100.

Satisfaction Scores of more than 50 were obtained on the following parameters:

Leadership - this aspect measured the leadership style of DFPCL w.r.t. problem solving abilities of the leader, extent of empowerment, decision making, encouragement of team work etc. The average satisfaction score on this aspect was 52/100.

Team Work - this aspect measured the inter team relationship of employees at DFPCL. The questions covered dimensions like conflict resolution, commitment to team objectives, sharing of information, team work within departments etc. The satisfaction score for this aspect was rated at 54/100.

Job Content - dimensions like quantity and quality of work was measured through this aspect considering the use of authority, avenues of growth and development and independence provided to the employees. The average satisfaction score for this aspect was 64/100.

Interpersonal Relations - rated a satisfaction score of 66/100 considered the interpersonal relationship of the employees. Interpersonal relations rated the highest with the satisfaction score of 66/100 followed by job content on 64/100. Since the average age of employment at DFPCL was quite high and employees knew each other for years together the interpersonal relationships they maintained with each other were quite strong. The job contents saw very little modifications hence employees were ok with their jobs which had been defined over the years.
Strategy and customer focus: measured dimensions like existence of a strategy, customer satisfaction, importance given to customers etc. It scored 59/100.

Quality of life: measured aspects like social status, excitement at the workplace and the career in Deepak. Out of these three aspects employees rated above satisfactory on social status and excitement with a rating of above 70. Again the aspect of career in Deepak rated low with a score of 48/100.

Considering the fact that the satisfaction score various HR processes in DFPCL were relatively low the management of DFPCL appointed Hewitt associates in 2005 to restructure the organization and introduce strategic HRM processes.

4.5 HEWITT Intervention- ‘People speak’: August’05:
As a result of the feedback received from the 1997 Eicher Survey and well as the organizational restructuring process and the dissatisfaction of majority of employees on the performance management process, the management of Deepak fertilizers hired Hewitt Associates for building up the Performance Management process through the Balanced Scorecard method. In the same period there was a phenomenal transition in the management style of DFPCL and traditional management style was changed into the new generation management style. This was after Mr. Shailesh Mehta took over as the MD of DFPCL from his father Mr. C.K. Mehta. The approach towards the way of doing business also changed subsequently after this change and DFPCL started adopting the strategic management approach towards managing business.

Before starting the strategic HR intervention, Hewitt conducted a focus group interview on a cross section of employees in DFPCL from different job bands to understand the views/ perceptions of the employees about various HR processes and their feedback on the same. The details of the sample selected for the focus group meetings by Hewitt are given in Annexure 8.
Sampling of the focus group:
The focus group consisted of cross section of employees of DFPCL from different
departments and units with a minimum of 1 year of experience in DFPCL. The names
of the employees who participated in the focus group was kept confidential. HR team
was not allowed to participate in the focus group to encourage free flow of
information.

The main findings of the focus group interviews conducted by Hewitt Associates
were:

- **Role Clarity:** Before the implementation of SHRM processes in 2005 the
  employees of DFPCL were not clear about their roles and responsibilities. The
  existing roles were not clearly defined and sometimes there was an overlap
  between two roles. Employees were assigned to various grades in an adhoc
  manner.

- **Decentralization of Decision Making Power:** There was lack of
decentralization of decision making power increased response time. They also
  felt the lack of ownership and accountability.

- **Departmentalization:** Functional and location departmentalization existed
  which used to impact seamless integration. There was lack of teamwork across
  functions. Hence work and productivity were impacted adversely.

- **Manning:** Employees of DFPCL felt that the structure was top heavy. The
  existing manning structure was not appropriate. Some departments were over
  manned whereas some were undermanned. No assessment of actual workload
  had been done post SAP implementation. This necessitated the restructuring
  process of 2006 once again.

- **Training:** Formal training programs were not offered to the employees.
  Training programs were often shelved due to lack of funds. Even when training
  needs are mentioned in the appraisal form, no attempts were made to impart
  the same. Training was delivered in adhoc manner and not based on needs.
Employees got themselves nominated for external training programs on their own initiative.

- **Job Rotation:** There was no opportunity for job rotation within different departments. Hence after a couple of years in the current role the good performers got stagnated in their roles without options of job rotation or enrichment.

- **Performance Planning:** KRAs (Key result areas) were set on an adhoc basis and in many cases after appraisals were completed. KRAs within and across departments were not comparable in terms of level of difficulty etc. KRAs were not corrected periodically. Most of the targets set were neither achievable nor enforceable. Quantitative aspects of the job were not taken into consideration. Therefore departments, which did not have quantitative targets, were at a disadvantage. The process of setting KRAs was not standardized across departments and functions.

- **Performance Rating:** Employees felt that during the annual appraisal process the performance ratings were given in an adhoc manner. Most of the ratings were clustered between 60 and 80. (central tendency). There was very little differentiation between good and bad performers. The normalization of ratings adversely impacted the high performers. The process of normalization of ratings across departments was not working well due to the relatively smaller size of the departments.

- **Transparency:** The employees felt that the system lacked transparency and they did not have sufficient visibility to the management of the organization. Rewards were given on an adhoc basis. Criteria for the same were not shared. Rewards and recognition methods needed improvement. The culture of giving timely feedback needed to be established.

- **Feedback:** Employees felt that there was no follow up or feedback on potential appraisal. Performance discussion between the boss and the subordinate did not take place. Appreciation for a job well done was hardly ever communicated.
• **Other aspects of performance management:** There was no policy manual on the Performance Management System. The Performance Management System was complicated and not easily understood by employees. The performance appraisal package was not working well. Processing of performance appraisal forms took 6 to 8 months.

• **Internal Parity:** There was lack of internal parity in the compensation structure. Workers got higher salaries and incentives than a few managers at the M6 level since they possessed greater bargaining power. Salary and perquisites given to an individual were more or less a function of his/her ability to negotiate for the same during recruitment. Huge salary differentials existed between top and middle management which was not acceptable by the employees.

• **External Parity:** The employees of DFPCL felt that the current compensation structure (before the compensation restructuring exercise was conducted) was not as per market rates, hence there was lack of external parity. Compensation levels were low which impacted talent attraction and retention. There was almost 100% attrition at the M6 level which consisted of the support staff. They felt that they were neglected due to the nature of their work. Relevant benchmarks are not taken for the purpose of comparison.

• **Fixed Pay:** Employees felt that their compensation levels were not revised periodically. There were overlaps in compensation between one grade and the next. The increase in compensation from one level to the next was negligible. The band structure that could differentiate the compensation structure was missing differentiating the compensation levels at different positions.

• **Variable Pay:** Low levels of variable pay failed to motivate individual employees. Employees also felt that the criteria for variable pay kept changing and was not clear. Since the variable pay was introduced on an adhoc basis it resulted in reduction in fixed pay by the same amount. Even after being promised employees were not given rewards for a long time. For example, the SAP implementation Core Team did not get any rewards and hence a lot of
members from the core team had already left the organization. This was a great loss to the organization since they were trained on SAP implementation modules and the knowledge was lost with their attrition. It also impacted the delivery of the SAP modules.

- **Career Planning:** There was no career management system in place. Employees were not aware of their career paths. Career growth especially in a stagnant business was uncertain.

- **Promotion Criteria:** Employees were not promoted till they spent a minimum of 8-9 years in a particular role. Promotion was based on seniority and not merit. An employee could be promoted only when his boss got promoted and there was an upward movement. This adversely affected good performers whose bosses were not considered for promotion. A promotion did not always result in role enhancement. In many cases it was just a title change. Promotions could be given only when one had worked with one’s boss for at least to years. This adversely affected employees whose bosses kept changing. They felt that the recommendations for promotion were based on perception. Since salaries of unionized workers were higher than those of officers, the workers did not want to get promoted to the officer category.

- **Capability Assessment:** Capability assessment was not done. There was no assessment of any sort for assessment of the employee’s potential or capability. Hence promotion criteria was not clear.

- **Communication:** The employees of DFPCL felt that the communication flow was inadequate and ineffective. There was lack of two-way communication. All communication was top down. When an employee was promoted he/she was not informed about changes in salary/perquisites. Even annualized communication of PF, superannuation etc. was lacking. Outcomes of surveys, initiatives were not communicated to employees. Communication on HR systems and processes (such as performance management) and on HR polices such as Promotion etc. was lacking.
• **Coverage in terms of People:** Employees from field staff were not aware of their entitlements. It was also difficult to communicate with these employees due to their job postings.

• **Timeliness:** Communication was always delayed, sometimes received after six months. Grapevine communication channel was very strong and a lot of information was obtained through grapevine.

• **Other Observations:** There was no formal internal communication strategy. Only the top management had the authority for communication at DFPCL. Employee surveys were not run regularly. Even when these surveys were run, results were not communicated to employees. Also results did not necessarily lead to impactful action plans.

• **Top Management:** The employees felt that the Top Management at DFPCL was resistant to change. Hence there was a lot of bureaucracy which existed. Initiatives that were undertaken were not implemented fully. Hence they did not see the effectiveness of the HR initiatives. They felt the lack of transparency on initiatives being undertaken by the Top Management. Top Management was not genuinely concerned about the needs and issues being faced by employees. There was no value addition from the top management / seniors. An effective feedback and coaching mechanism was missing. The Top Management was more lenient with unionized workers since they had greater bargaining power.

• **HR Department:** The employees felt that the HR Department was ineffective. There was very little interaction between the HR Department and other departments. HR polices were not well defined. Also policy changes were made in an adhoc manner. Policy review mechanism was lacking. Plant HR was limited only to liaison and industrial relations. Settlements with the union were done in an adhoc fashion without analyzing impact of decisions taken. Disparity between unionized staff and junior management existed. Junior management was not given a pay raise since 1996 whereas the pay had been revised three times since 1996 for the unionized staff. Managers worked 6
days a week whereas the unionized staff worked only 5 days a week. Unionized staff earned more than managers at the M5 and M6 level and hence did not respect or listen to them. Junior management spent 75% of their time doing the work of unionized staff reporting to them. The unionized staff had greater bargaining power and therefore was able to resist the implementation of policies/initiatives, which were likely to impact them adversely. For example recommendations of the NITIE Study were implemented for managers only and not for staff.

4.6 HR scenario pre implementation of SHRM:
The HR scenario and processes at DFPCL on the basis of Eicher and Hewitt intervention are given below:
Both the surveys had similar findings and there was not much of improvement in the HR processes over the years from 1997 to 2004 when the two surveys were conducted:

- Results of the diagnostic- “people speak “ exercise conducted by Hewitt were consistent with the Culture Survey Analysis conducted by Eicher. This showed that there were no major changes in employee perceptions and satisfaction levels since 1997. The only difference was found in the area of Job Content. Satisfaction with Job Content was seen to be moderately high in 1997. It had reduced due to lack of role clarity and lack of proper workload analysis post SAP implementation at DFPCL.

- HR systems, processes and policies did exist but were not working very well due to lack of proper implementation and communication. Employees of DFPCL found the HR department to be ineffective before the implementation of SHRM processes in 2004.

- Lack of adequate and timely communication, transparency and feedback could be attributed to be the root cause for many of employee’s problems. Hence to make the initiative successful, there was a need for detailed communication on
aspects of design and implementation of the SHRM processes on a regular basis with all employees concerned.

4.7 The need for SHRM in DFPCL:
After looking at the feedback collected from various OD surveys, the management of DFPCL hired Hewitt associates to implement strategic HR processes. Hewitt implemented role profiling after job analysis, balanced scorecard based PMS system and competency mapping from July 2005 along with the HRD department. This was done after the manpower rationalization exercise and after reducing the total headcount of white-collared employees by 26%. The manpower rationalization exercise was done by studying the role profiles for the entire population and also consolidating similar role and deleting the unimportant roles. Ref to Annexure 10: Role profiling questionnaire.

For the first time in the history of Deepak Fertilizers such an exercise was carried out which sent mixed signals to the employees in the organization. The management wanted to convey a strong message to its employees by doing this exercise in terms of employee performance. Being a traditional organization, the HR processes were a bit lenient w.r.t the performance management. The message communicated to the employees after this exercise was that the organization was no longer considered as a traditional fertilizer manufacturing company but is now poised to go global, so also in terms of the way performance would be managed. Hence the employees needed to be more performance oriented and more professional rather than doing repetitive tasks with less productive value.

Overview of Hewitt Process:
Ref: Annexure 11: Overall project plan and deliverables -Hewitt.
The Hewitt activity started with redefining the business strategy for DFPCL and restructuring the entire organization as per the lines of business. Four lines of business were defined namely explosives, fertilizers and chemicals and a new line of
business namely the specialty mall. The restructuring process was aligned to these lines of business to build the capability of delivering the defined business strategy. Manning activities were undertaken after completing job descriptions and job evaluations for the new roles.

Compensation restructuring exercise was conducted after benchmarking the existing compensation structure and aligning it with the best in the industry. The performance management system was redefined using the balanced scorecard method through which the organizational goals were aligned to individual goals. A competency mapping exercise was conducted to align the competencies with the business strategy. During this exercise the competency model of DFPCL was defined. Employees were assessed through development centers to provide them feedback and development inputs on these leadership competencies.

Figure 26 below provides a brief overview of the various SHRM interventions by DFPCL and their inter-linkages with the HR subsystems.
Since the structure and HR processes of DFPCL were undergoing radical changes it was important that the employees were communicated about these changes and made aware of the need for a performance based organization. Hence the MD of DFPCL sent a personal communication to all employees in the beginning of the Hewitt work (August '04) regarding the various OD interventions which would be conducted by Hewitt and the way forward for the organization.

The communication brief read as follows:

The path of growth brings with it both opportunity and challenge. In order to achieve our business plans and achieve our aspiration of being the very best, all of us need to embark on a journey of change. As we have grown over the years, we have relied
heavily on our people. And we are sure that it is our people resources that will propel our success even further in the time to come. This will be possible when all of us accept and own the transformation that is required of us. In order to ensure the above, we are launching several people related interventions - HR programs that are designed to draw out the very best in our employees and to recognize and reward their efforts. To help us deal with various business and HR issues, we have retained the services of Hewitt Associates, which is one of the largest Human Resource consulting firm in India and the world.

As part of the effort to improve the communication about the process, this newsletter has been designed to become a medium of communication to share feedback and provide insights about the change process. Please share your inputs and feedback using this medium to get the best out of these initiatives.

As a result of these initiatives, each one of you can look forward to greater opportunity for genuine growth, a performance system that is objective, consistent, transparent and one that differentiates good performers from the rest in terms of pay and benefits. Skill sets critical for success in a role will be identified and individuals will be given learning opportunities to grow and hone their skills on an on-going basis. Figure 27 below provides a linkage of Hewitt activities and answers the question: “Why this initiative?”
**Why this initiative?**

The last few years for us has been a continuous process of experimenting and establishing. In the process we have managed to bring about a lot of improvements in the way we work and during this process also fallen behind on a few things.

To make sure that we get the most out of the effort that we have put in, the organization is trying to work on systems which will help reduce the problems we are facing. At the same time, we are putting in place systems that will equip us to meet future challenges.

Based on your valuable feedback, we are trying to streamline our internal people processes in a more cohesive manner. We have identified key partners, in this case Hewitt Associates, to provide us with expertise and guidance to manage the transition towards becoming a world class / benchmark organisation in the world.

**What is the process being followed by Hewitt?**
The restructuring process:
The organization also undertook major restructuring activity in terms of the designations, grades, salary structure, leave policy etc. Relatively flatter organization was created by merging similar job bands doing the work of similar nature. The salary structure was restructured in terms of employees availing more tax benefits. The leave policy reduced the number of different leaves allocated to employees and combined it to a single leave policy to improve on efficiency. A manpower rationalization exercise was carried out that reduced the total headcount by 26 percent. The hierarchy levels in the organization were reduced by combining similar roles into one band after the role profiling exercise. The restructuring process required a new grade structure the new grade structure was built on the following lines:

Table 7: The new grade structure:

<table>
<thead>
<tr>
<th>LL1</th>
<th>Vice Presidents</th>
</tr>
</thead>
<tbody>
<tr>
<td>LL2</td>
<td>Directors- designated as Group Leaders</td>
</tr>
<tr>
<td>LL3 A</td>
<td>Sr. Managers- designated as Senior team leaders</td>
</tr>
<tr>
<td>LL3 B</td>
<td>Managers- designated as Team leaders</td>
</tr>
<tr>
<td>LL4 A</td>
<td>Deputy Managers- designated as Sr. Incharge</td>
</tr>
<tr>
<td>LL4 B</td>
<td>Assistant managers- designated as In charge</td>
</tr>
<tr>
<td>LL5</td>
<td>Executive/ campus fresher’s</td>
</tr>
<tr>
<td>LL6</td>
<td>Support staff</td>
</tr>
</tbody>
</table>

Overall the HR processes of DPFCL witnessed a strategic change in the years 2004-2006 and the entire gamut of HR processes was realigned to meet the organizations strategic direction.

4.8 Post OD intervention feedback (2005):
After completion the Hewitt strategic HRM activities the management of DFPCL along with the HR Department wanted to evaluate the impact of the implementation of the SHRM processes and assess its effectiveness. Hence the HR department of DFPCL conducted the post OD intervention feedback survey 2005 to assess the effectiveness of the ODI interventions and gauge the success rate.

The details of this survey are as follows:

(Refer: Annexure 4 for the questionnaire)

**Sample distribution**:
- Total questionnaires sent: 300
- Total respondents: 258
- Response rate: 86%
- Anonymous: 74 out of 258

**Rating scale used in the questionnaire**: Likert’s five point scale:
- 5 = strongly agree,
- 4 = Agree,
- 3 = I don’t know/ nobody told me,
- 2 = Disagree,
- 1 = strongly disagree.

**Seven ODI dimensions are covered in the questionnaire with various subdimensions namely:**

Strategy, structure, job description and evaluation, compensation, levels and new designations, new leave policy, general issues. (Refer Annexure 4: Post ODI questionnaire and results). This questionnaire had 61 questions covering these dimensions. The HR staff prepared and administered the questionnaire for this survey after taking inputs from a few industry experts. The dimensions covered in the questionnaire was finalized by the management of DFPCL. Table 8 below provides a
snapshot of the total score and average score for each of the dimensions measured in the survey.

Table 8: Post ODI scores

<table>
<thead>
<tr>
<th>Category</th>
<th>Total score</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy</td>
<td>28.9</td>
<td>4.13</td>
</tr>
<tr>
<td>Structure</td>
<td>33.26</td>
<td>4.75</td>
</tr>
<tr>
<td>Job description/Job evaluation</td>
<td>24.83</td>
<td>3.55</td>
</tr>
<tr>
<td>Compensation</td>
<td>22.4</td>
<td>3.20</td>
</tr>
<tr>
<td>Levels &amp; new designations</td>
<td>25.3</td>
<td>3.61</td>
</tr>
<tr>
<td>New leave policy</td>
<td>22.25</td>
<td>3.18</td>
</tr>
<tr>
<td>General</td>
<td>24.23</td>
<td>3.46</td>
</tr>
</tbody>
</table>

FIGURE 28: POST ODI FEEDBACK (2005)
Figure 28 above provides the graphical representation of the average satisfaction scores of the Post ODI intervention survey conducted by the HR staff of DFPCL.

Findings and recommendations from the survey:

To provide a snapshot of the findings and the recommendations of the post ODI feedback on the various dimensions:

1. **Strategy**: The general awareness of strategy & its implications was very high at the senior level and deteriorated down the line. Hence it was felt that the strategy should be cascaded further down to the middle and lower management levels of DFPCL.

2. **Structure**: The general awareness of structural changes of DFPCL and its implications was found to be the highest at LL2 level (Directors). This could be interpreted as these respondents strongly agreed on the structural changes in terms of new levels/ action plans etc.

3. **Job description and evaluation**: Employees in grades (LL2)i.e. Directors with the satisfaction score of 3.9 showed greater understanding of the job description and the job evaluation processes and its implications compared to LL3A- Sr. Managers with the satisfaction score of 3.7. The employees at the LL4B level namely the Asst. Managers scored a 3.6 on 5 which meant that they needed more clarifications regarding their job descriptions.

4. **Levels/designations**: It was found that the overall contentment regarding the new levels/designations was average for the grades LL3A with a satisfaction score of 3.4, LL 3B with a satisfaction score of 3.6, LL 4B with satisfaction score of 3.6 and 4A with a satisfaction score of 3.5.

5. **Compensation Restructuring**: Overall contentment regarding the new compensation structure post the compensation restructuring exercise was found to be just satisfactory for grades LL2 with score of 3.6 & LL4B with satisfaction score of 3.4. Comparatively employees at the grade LL4A and LL 3A with satisfaction score of 3.2 respectively and LL3B with satisfaction score of 3.3 were found to be not satisfied with the new compensation structure.
6. **Leave Policy:** The general opinion on leave policy was either ‘not known’ or ‘not aware’. The respondents felt that the communication around the leave policy was not sufficient.

7. **General:** This category had 3 questions revolving around the transparency of the ODI process, the help desk concept & the company’s culture. The respondents appeared to be strongly agreeing to the transparency of the ODI process as depicted by the score (4.1). They were satisfied with the role of ODI in changing company’s culture also highlighted by the scored (3.54) by LL3 A Sr. Managers & (3.53) scored by LL3 B Managers.

**To conclude:**
The general acceptance level of employees in DFPCL for the implementation of ODI processes was found to be quite high especially across levels LL2, LL3A & B i.e. the senior and middle management levels. The general awareness of structural changes & its implications was the highest at LL2 i.e. at the General managers level with the score of 5.0, since they strongly agreed on the structural changes in terms of new levels/ action plans etc. It can also be concluded that since the Hewitt processes were presented, discussed and debated in detail in various forums for these levels they were well informed about these processes and hence the level of satisfaction for the implementation and acceptance of these processes was high.

4.9 THE PMS FEEDBACK SURVEY -2006:
As a part of the ODI process DFPCL introduced the Balanced Scorecard in 05-06 with the view developing transparent and measurable systems that are aligned with the corporate goals. The performance management system (PMS) feedback survey was conducted in 2006 by the HR staff of DFPCL to assess the effectiveness of the newly implemented balanced scorecard of measuring performance management.

**The questionnaire:**
The questionnaire used for the PMS feedback survey contained 49 objective questions under **16 dimensions** and 3 descriptive questions. 275 questionnaires were distributed
to the employees of DFPCL out of which 180 were received back. Hence the response rate was 65%. It was optional to mention the names/ departments etc in the questionnaire.

The validity and reliability of the questionnaire was tested by Mr. Atul Sapre- a Statistician and a consultant. After the validity testing the validity of the questionnaire was rated as very good by the consultant.

The scale used in the questionnaire was the Likert’s 5 point rating scale were:

1 means strongly agree,
2 means slightly agree,
3 means neither agree nor disagree
4 means slightly disagree,
5 means strongly disagree

Annexure 5 : Questionnaire for the PMS survey feedback- 2006

To provide a snapshot of the 16 different dimensions and the average scores:

Out of the 16 dimensions 7 dimensions have been rated either 1 or 2 (strongly agree or slightly agree ) which indicated that employees are satisfied with most of the dimensions. In other words, about 44% of dimensions stand out which could be considered as a good progress of the HR processes implemented at DFPCL.

These seven variables were:

1. Transparency of the performance management system (PMS)- this aspect measured the transparency of the balanced scorecard method. It also evaluated if the BSC based appraisal process was a fair process of performance evaluation.
2. Methodology of the PMS- this aspect evaluated the methodology of the BSC process and it’s timelines.
3. Vibrancy of the company- this aspect evaluated if the BSC process was able to create a vibrant company.
4. Understanding/ monitoring of the PMS- this aspect evaluated the accountability and the responsibility of the individual employees using the BSC method.
5. HR processes- this aspect evaluated the credibility of the BSC process and checked whether it has improved over the years.

6. Communication of the BSC- this aspect evaluated the communication process of the BSC and if the KRAs and RRs of employees were set up and communicated properly. This aspect also checked if HR department was able to communicate the process clearly.

7. Miscellaneous- there were a few questions around the new insurance policy and other benefits implemented by the company.

5 variables ranged between the scores 2-2.4 i.e. slightly agree or neither agree nor disagree considered as satisfactory. i.e. about 31% of the dimensions of the questionnaire have been rated satisfactory by the employees. These 5 variables were as under:

1. Salary anomalies- this variable evaluated if the salary anomalies that existed in the earlier year have been addressed after the salary correction process by the HR team.

2. Nominee for audit- this aspect evaluated the value added by the presence of a reviewer during the appraisal process.

3. Change- this aspect evaluated if the senior management team spoke the same language of change and new strategic direction of the company.

4. Timelines- this aspect evaluated if the timelines set for the appraisal process was adequate.

5. Feedback on PMS- this aspect evaluated if the employees received the feedback after the appraisal process and if the feedback received was adequate.

The following 3 variables scored within the range of 2.5 to 3 (slightly agree or neither agree nor disagree). These dimensions were the areas for concern.

1. Strategy- this aspect evaluated if the BSC communicated the corporate strategy to the employees.
2. Promotion policy- the questions on the promotion policy evaluated if the new promotion policy was based on the merit and qualification of the employees. It also evaluated if the process was fair.

3. Objectivity of the promotion policy-this question validated if the promotion decisions were taken objectively.

Only one variable fell in the range of 3-3.5 (towards slightly disagree) namely **new designations**. DFPCL had implemented the new designations as recommended by Hewitt. However the employees did not like their new designations which was obvious from the scores in the questionnaire. They preferred their earlier designations. A lot of them felt that these designations do not cater to the requirements of a manufacturing company and were more suitable for an IT company.

The responses at the general managers levels were very good. By this it could be indicated that they were contributing to the change management efforts of the company which would the company charter its future course.

Grade wise the least responses were received from group LL4B i.e. the support staff. This was a matter of concern as these were the entry level people and it indicated that they were not coached in tune with the company culture.

**To conclude:**
The post PMS survey was conducted within one year of the implementation of the strategic HRM initiatives. Hence after the data analysis it can be concluded that the implementation of the SHRM initiatives in DFPCL have been fairly successful and the employees were satisfied with the new HR initiatives which improved their performance levels. They also felt that the BSC was able to communicate and cascade the organizational strategy hence it would help in creating a vibrant culture.